

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 3805 – HB 3885

February 12, 2010

SUMMARY OF BILL: Prohibits any contract entered into by a department or agency of the state to require the vendor to waive the rights to any legal remedy against the state.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$25,000,000

Assumptions:

- Fiscal Review staff collected information from the contracting agencies in the state to determine the current total obligation for contracts for the state. That total is estimated to be \$25,459,908,814.
- Contracting agencies include the Departments of General Services, Transportation, and Finance and Administration (including the Office of Contracts Review and the State Building Commission). The total amount does not include interdepartmental agreements or contracts for higher education.
- Estimated increase to state expenditures resulting from a potential increase in legal liability is one-tenth of one percent of the total value of contracts or \$25,459,908.81 (\$25,459,908,814 x 0.1%).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

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